



Disaster and Emergency Management Resources

Should You Buy Flood Insurance?

- Are you are risk for flooding? Floods are the most common natural disaster in the United States and nearly everybody has some risk of flooding. The Federal Emergency Management Agency (FEMA) estimates that 10 million U.S. households are located in high flood risk areas, and between 20 percent and 25 percent of all flood insurance claims are paid to people living outside these high-risk areas.
- Floods occur when you least expect them, and your homeowner's insurance will not cover your flood losses.
- You can protect your home and its contents through FEMA's National Flood Insurance Program (NFIP). Homeowners and renters may buy flood insurance if their community participates in the NFIP.
- Some people rely on federal disaster assistance. But federal disaster assistance is available only if a flood is declared a federal disaster. And it is often a loan that you have to repay, with interest, in addition to your mortgage loan.
- A flood insurance policy, which you can purchase through your insurance company or agent, is the best way to recover from a flood. Claims are paid even if a disaster is not federally declared, and the flood insurance claim reimburses you for your covered losses. It never has to be repaid.
- Flood insurance offers the following:
 - **Residential Building Coverage** – Up to \$250,000 for single-family, two to four-family, and other residential buildings.
 - **Commercial Building Coverage** – Up to \$500,000, including small businesses.
 - **Contents Coverage** – Up to \$100,000 for contents of residential buildings. Up to \$500,000 for contents in nonresidential buildings, including small businesses.
 - **Renters Coverage** – Covers contents.

Adapted from resource material developed by the Federal Emergency Management Agency